



Post-Session Legislative Summary

HEA 1293 was signed into law on March 24, 2008

Indiana Code

HEA 1293

Streamlines the sales disclosure form process for real estate transactions:

Amended: IC 6-1.1-5.5-3
Effective July 1, 2008

1. A separate sales disclosure form is required for each parcel conveyed even if the conveyance document covers multiple parcels. However, only one form (with a single combined sales price) is required if the parcels are contiguous in a single taxing district;

Amended: IC 6-1.1-5.5-3
Effective July 1, 2008

2. If there are more than two parties to a transaction, one party signing for each side is sufficient;

Amended: IC 6-1.1-5.5-3
Effective July 1, 2008

3. A paper or electronic sales disclosure form may be used to also apply for the homestead credit and certain property tax deductions.

Amended: IC 6-1.1-5.5-5
Effective July 1, 2008

4. ***Requires the DLGF to prescribe a new sales disclosure form before July 1, 2008.***

Sales Disclosure Form Changes:

Amended: IC 6-1.1-5.5-1
Effective July 1, 2008

- The definition of a conveyance is extended to include a transfer of real property to a charity.

Amended: IC 6-1.1-5.5-2
Effective July 1, 2008

- Exceptions are eliminated from the definition of "conveyance document" for documents for certain compulsory transactions or the partition of land (Includes definition of a "conveyance document" documents as a result of a foreclosure, divorce, court order, condemnation, or probate);

Amended: IC 6-1.1-5.5-3
Effective July 1, 2008

- The sales disclosure form is considered to be accurate and complete if it includes information other than additional information required by the DLGF;

Amended: IC 6-1.1-5.5-4
Effective July 1, 2008

- The \$10 filing fee is permanent, but exempts transfers to charities, and transfers occurring because of a foreclosure, divorce, court order, condemnation or probate;

Under current law, sales disclosure forms and conveyance documents are used to record the sale or transfer of real property. These documents are filed with the county auditor after being reviewed by the county assessor. This bill makes several changes pertaining to the use of these documents.

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Amended: IC 6-1.1-5.5-4
Effective July 1, 2008

Amended: IC 6-1.1-5.5-3
Effective July 1, 2008

Amended: IC 6-1.1-5.5-5
Effective July 1, 2008

Amended: IC 6-1.1-5.5-3
Effective July 1, 2008

Amended: IC 6-1.1-5.5-6
Effective July 1, 2008

Amended: IC 6-1.1-5.5-10
Effective July 1, 2008

Amended: IC 6-1.1-5.5-12
Effective July 1, 2008

Added: IC 6-1.1-12-44
& IC 6-1.1-20.9-3.5
Effective January 1, 2008
(retroactive)

Amended: IC 6-1.1-12-1
Effective January 1, 2008
(retroactive)

Amended: IC 6-1.1-12-2
Effective January 1, 2008
(retroactive)

Amended: IC 6-1.1-12-2
Effective January 1, 2008
(retroactive)

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- The fee revenue is split evenly between the county sales disclosure fund and the state assessment training fund (previously a non-code provision);
- A separate sales disclosure form is required for each parcel conveyed, except that only one form (with a single combined sales price) is required for the conveyance under a single conveyance document of two or more contiguous parcels in a single taxing district;
- The sales disclosure form must include the key number of each parcel subject to the conveyance, whether the entirety of each parcel is being conveyed, the address if the parcel is improved, a legal description for each parcel, and an estimate of the value of any personal property included in the transfer;
- One party to a transaction may sign a sales disclosure form on behalf of multiple parties;
- The county recorder may record a conveyance document only if a sales disclosure form approved by the county assessor has been filed;
- The criminal penalty for knowingly and intentionally falsifying or omitting information on a sales disclosure form is increased from a Class A misdemeanor to a Class C felony;
- The penalty for filing an incomplete or inaccurate sales disclosure form applies only if the filer fails to correct the error within 30 days of being notified;
- A paper or electronic sales disclosure form may be used with respect to a homestead assessed as real property to also apply for the homestead credit and certain property tax deductions.

Homeowner Deduction Application Changes:

- Allows qualified homeowners to claim the homestead credit and property tax deductions any time during a calendar year, or any time during the designated 12 month filing period with respect to mobile homes and manufactured homes not assessed as real property.
- A taxpayer that files for the homestead credit or a property tax deduction must be the owner or contract buyer only on the filing date, and not on the assessment date to which the credit or deduction applies.
- Regardless of a change of ownership, the homestead credit or a property tax deduction applies automatically in a year if: (1) the credit or deduction applied in the preceding year; and (2) the current title holder or contract buyer is eligible for the credit or deduction.

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Amended: IC 6-1.1-17-0.5
Effective: Upon Passage

Amended: IC 6-1.1-21-4
Effective: Upon Passage

Added: IC 6-1.1-20.9-1
Effective Upon Passage

*Non-code:
Effective January 1, 2008

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- Allows a county auditor to reduce the assessed value used to set tax rates to take into account deductions resulting from applications filed late in the year.
- Changes in information reported by the county auditor to political subdivisions resulting from applications filed late in the year do not result in withholding of PTRC by the state.
- **Requires the DLGF to adopt rules to establish guidelines before January 1, 2009 to enforce the application of the homestead credit only to an individual's principal place of residence.**
- Non-code: Allows certain taxpayers to claim interstate commerce exemptions for certain inventory for the 2004, 2005, and 2006 assessment dates by filing amended returns before March 1, 2008. Provides that the amended returns are considered to have been timely filed.

*A 'Non-code' section is one which, though enacted with a piece of legislation, is not codified within the Indiana Code. Such 'non-code' provisions, though uncoded, are appropriately considered by a court when interpreting a statute. IC 1-1-4-5

This new law streamlines the sales disclosure form process by eliminating unnecessary duplication and provides convenience and efficiency to homeowners in the filing process for deductions and the homestead credit.

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Under current law, a taxpayer may claim a variety of deductions and the homestead credit on homestead property owned on March 1 of the assessment year. The deadline for the taxpayer to file an application is by June 10 of the assessment year (one year preceding the next year's tax statement).